

**GOVERNMENT OF PUDUCHERRY
LABOUR DEPARTMENT**

(G.O. Rt. No. 45/Lab./AIL/J/2014, dated 13th March 2014)

NOTIFICATION

Whereas, the Award in I.D. (T) No. 1/2011, dated 27-9-2013 of the Industrial Tribunal, Puducherry in respect of the industrial dispute between the management of M/s. Hindustan Unilever Limited, Detergent Factory, Vadamangalam, Puducherry and Hindustan Unilever Employees Union, Puducherry, over change of service conditions of their workmen has been received;

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 17 of the Industrial Disputes Act, 1947 (Central Act XIV of 1947) read with the notification issued in Labour Department's G.O.Ms. No. 20/91/Lab./L, dated 23-5-1991, it is hereby directed by Secretary to Government (Labour) that the said award shall be published in the official gazette, Puducherry.

(By order)

S. THAMMU GANAPATHY,
Under Secretary to Government (Labour).

**BEFORE THE INDUSTRIAL TRIBUNAL,
AT PONDICHERRY**

Present : Tmt. S. MARY ANSELAM, M.A. M.L.,
Presiding Officer (FAC),
Industrial Tribunal.

Friday, the 27th day of September 2013

I.D. (T) No. 1/2011

The Secretary,
M/s. Hindustan Unilever
Employees Union,
No. 306, V.O.C. Street,
Sudhana Nagar 2,
Nainarmandapam,
Puducherry-605 004. . . Petitioner

Versus

The Managing Director,
M/s. Hindustan Unilever Ltd.,
Detergent Factory,
N.H. 45A, Vadamangalam,
Villianur Commune,
Puducherry 605 102. . . Respondent

This industrial dispute coming on this day before me for hearing in the presence of Thiru S. Sridhar, filed vakalat for the petitioner and Thiruvalargal L. Sathish, N. Krishnamurthy, T. Pravin and V. Veeraragavan, Advocates for the respondent upon hearing both sides, upon perusing the case records, after having stood over till this day, this court passed the following:

AWARD

This industrial dispute arises out of the reference made by the Government of Puducherry, *vide* G.O. Rt. No. 20/AIL/LAB/J/2011, dated 3-2-2011 of the Labour Department, Puducherry to resolve the following dispute between the petitioner and the respondent, *viz.*,

(1) Whether the dispute raised by Hindustan Unilever Employees Union (Reg. No. 1534/RTU/2008), Puducherry against the management of M/s. Hindustan Unilever Limited, Detergent Division, Vadamangalam, Puducherry, over change of service conditions of their workmen without adhering section 9A of the Industrial Disputes Act, 1947 and violation of 12 (3) settlement, dated 10-5-2007 is justified or not?

(2) If not justified, what relief their workmen are entitled to? And what conditions should be adopted?

2. The petitioner in this petition has stated as follows:

The respondent's annual turnover is ₹ 20,000 crores and its profit is ₹ 5,000 crore per year. The respondent employs more than 1,000 workers and it is doing standardisation, rationalisation and improvement of plant or techniques and with intention of reducing manpower. A notice of change is required to be given under section 9A of Industrial Disputes Act for standardisation, rationalisation and improvement of plant or technique. The changes brought in NSD-bar section, NSD power section, TSF and TSN as is claimed in para 1 to 10 of the claim statement under the heading "changes" are in contravention and violation of the long-term settlement, dated 10-5-2007. Any of the workers in the factory were ever forced by the respondent to do their work unwillingly as is claimed in claim statement. There is any violation of section 9 A of the Industrial Disputes Act. There were any reduction in the incentives of the workers because of the rationalisation, standardisation and improvement of plant or technique. Each workers have lost ₹ 750 per month from 2007 onwards and the respondent is bound to pay the same.

3. The respondent in this counter has stated as follows :

The petitioner further submits that the entire case of the petitioner rests upon the premises that for standardisation, rationalisation and improvement of plant or technique, prior notice is required to be given to the workers under section 9A of Industrial Disputes Act and since no such notice is given by the respondent before carrying out standardisation, rationalisation and improvement of plant or technique, the entire process of such standardisation, rationalisation and improvement of plant or technique is illegal. The petitioner has not produced an *iota* of evidence to substantiate that the respondent is contemplating retrenchment of his workmen by its act of standardisation, rationalisation and improvement of plant or technique. It is pertinent to mention that though it is claimed that the process of standardisation, rationalisation and improvement of plant or technique has began as early as in the year 2007, not even a single instance of retrenchment is reported to be petitioner. In fact the petitioner has not even pleaded that the standardisation, rationalisation and improvement of plant or technique is carried out by the respondent with intentions of retrenching the workmen.

The respondent further submit that the process of standardisation, rationalisation and improvement of plant or technique is explicitly covered under 12(3) settlement, dated 10-5-2007 which specifically speaks about the respondent's power, rights and privileges to standardisation, rationalisation and improvement of plant or technique. Clause 1, 5, 10, 11, 12, 13 of Part-A and 3(e) of the Miscellaneous Service Conditions of the said settlement deals with expansion, modernisation, mechanisation, rationalisation of manpower and processes and introduction of any new products, technology or machinery as may be required due to the business exigencies of the respondent. The respondent states that due to business exigencies the operation known as mazzoni has been replaced with existing plough share mixer. Hence, the additional mazzoni operators are being utilised to operate other equipments in the same unit.

The respondent states that it has given 5 additional manpower to the NSD plant for the installation of new machines. Earlier there were 35 workmen allocated to 6 machines and currently 40 workmen are allocated for 8 machines. Hence, there is proportionate increase in manning for the additional machines. The respondent states that 12(3) settlement, dated 10-5-2007 contains clauses pertaining to productivity, production process and manning for all operations. The incentive scheme is

worked out on the basis of output and productivity and the respondent is implementing all such process in accordance with the 12(3) settlement. Hence, it is not that the company is yielding extra output with less manning. In fact, all the employees are getting additional incentives for the proportionate increase in production along with adequate increase in manning for each process. The respondent states the incentive has been calculated on Capacity Utilisation Index (CUI) method during the last settlement, dated 12-12-2002 and at present the incentive is being calculated on the basis of Overall Equipment Efficiency (OEE) method as per the 12(3) settlement, dated 10-5-2007. Hence, there is no reduction in the incentive amount.

5. The point for determination is:

Whether the industrial dispute can be allowed?

6. On the point:

In this case a settlement, dated 10-5-2007 is executed between both parties. According to the petitioner a notice of change is required to be given under section 9A of Industrial Disputes Act for standardisation, rationalisation and improvement of plant or technique. The changes brought in NSD bar section, NSD power section, TSF and TSN under the heading changes or in contravention and violation of long-term settlement, dated 10-5-2007 any of the workers in the factory were ever forced by the respondent to do their work unwillingly as is claimed in claim statement. There were any reduction in the incentives of the workers because of the rationalisation, standardisation and improvement of plant or technique. Each worker have lost ₹ 750 per month from 2007 onwards and the respondent is bound to pay the same. It is stated on the side of the respondent that the petitioner has not produced an *iota* of evidence to substantiate that the respondent is contemplating retrenchment of his workmen by his act of standardisation, rationalisation and improvement of plant or technique.

7. Though, it is claimed that the process of standardisation, rationalisation and improvement of plant or technique has began as early as in the year 2007 not even a single instance of retrenchment is reported by the petitioner. It is specifically stated on 12(3) settlement, dated 10-5-2007 which specifically speaks about the respondents power, right and privileges to standardisation, rationalisation and improvement of plant or technique. Clause 1, 5, 10 to 13 of Part-A and 3(e) of the Miscellaneous Service Conditions of the said settlement deals with expansion, modernisation, mechanisation, rationalisation of manpower and processes and introduction of any new products, technology or machinery as may be required due to the business exigencies of the respondent.

8. The respondent clearly states that it has given 5 additional manpower to the NSD plant for the installation of new machines. Earlier there were 35 workmen allocated to 6 machines and currently 40 workmen are allocated for 8 machines. Hence, there is proportionate increase in manning for the additional machines.

The 12(3) settlement, dated 10-5-2007 contains clauses pertaining to productivity, production process and manning for all operations. The incentive scheme is worked out on the basis of output and productivity and the respondent is implementing all such process in accordance with the 12(3) settlement. In fact all the employees are getting additional incentives for the proportionate increase in production along with adequate increase in manning for each process. After the settlement the incentive is being calculated on the basis of Overall Equipment Efficiency method so there is no reduction in the incentive amount.

9. The 12(3) settlement, dated 10-5-2007 is agreed by both the parties and the agreement was entered into in the presence of the responsible Government Officers. So, the parties are bound by each and every terms and conditions of such settlement. Once the agreement is accepted it has to be accepted in *toto* and partial acceptance is not possible. No party can seek enforcement only beneficiary clauses and seek rejection of non-beneficiary clauses in settlement. So, it is very clear that the 12(3) settlement, dated 10-5-2007 is justifiable one. In this case a compromise memo was filed on the side of the petitioner and the respondent counsel endorsed no objection in it. Since, the parties have settled the matter the petition is dismissed.

Typed to my dictation, corrected and pronounced by me in the open court on this the 27th day of September, 2013.

S. MARY ANSELAM,
Presiding Officer,
Industrial Tribunal.

List of witness examined for the petitioner:

PW. 1 — 4-11-2011—Ezhumalai

List of witnesses examined for the respondent:

RW. 1 — August 2012—S.Gurumoorthy (Maintenance Executive in the respondent factory).

RW. 2 — 31-3-2012—Santosh Sahakari (Manufacturing Manager in the respondent detergent factory).

List of exhibits marked for the petitioner:

Ex.P1 — Memorandum of Settlement, dated 10-5-2007.

Ex.P2 — Copy of the letter sent by the petitioner to the respondent, dated 26-2-2009.

- Ex.P3 — Copy of the letter sent by the petitioner to the respondent, dated 5-3-2009.
- Ex.P4 — Copy of the letter sent by the petitioner to the respondent, dated 25-3-2009.
- Ex.P5 — Copy of the letter sent by the petitioner to the Labour Commissioner/ Labour Officer, Conciliation, Labour Department, Puducherry, dated 12-6-2009.
- Ex.P6 — Copy of the letter sent by the petitioner to the Labour Commissioner/ Labour Officer-Conciliation, Labour Department, Puducherry, dated 12-6-2009.
- Ex.P7 — Letter sent by the respondent to the petitioner, dated 27-6-2009.
- Ex.P8 — Copy of the letter sent by the petitioner to the Commissioner/ the Conciliation Officer, Labour Department, Puducherry, dated 30-6-2009.
- Ex.P9 — Copy of the letter sent by the petitioner to the Conciliation Officer, Labour Department, Puducherry, dated 8-7-2009.
- Ex.P10 — Copy of the letter sent by the petitioner to the Conciliation Officer , Labour Department, Puducherry, dated 8-7-2009.
- Ex.P11 — Copy of the letter sent by the petitioner to the Conciliation Officer, Labour Department, Puducherry, dated 1-3-2010.

List of exhibits marked for the respondent :

- Ex.R1 — NSD bar VIM cascade
- Ex.R2 — Copy of the layout.
- Ex.R3 — Cascade - 1 Bulk bagging station
- Ex.R4 — Copy of production incentive table.

S. MARY ANSELAM,
Presiding Officer,
Industrial Tribunal.

**GOVERNMENT OF PUDUCHERRY
DEPARTMENT OF PERSONNEL AND
ADMINISTRATIVE REFORMS (PERSONNEL WING)**
(G.O. Ms. No. 24, dated 8th April 2014)

NOTIFICATION

In pursuance of the Order No. 14046/36/2005-UTS-I, dated 27-2-2014 of the Ministry of Home Affairs, New Delhi and on having reported for duty in this Administration on the forenoon of 28-3-2014, Shri K. Jegadesan, I.P.S. (AGMU: 1998) is appointed as Deputy Inspector-General of Police, Puducherry.